

SENATE BILL

No. 7

Introduced by Senator Ashburn

May 19, 2005

An act to add Section 21352.3 to the Government Code, relating to public employees' retirement benefits.

LEGISLATIVE COUNSEL'S DIGEST

SB 7, as introduced, Ashburn. Public employees' retirement: benefit increases.

The Public Employees' Retirement Law prescribes the rights and benefits of the members of the Public Employees' Retirement System. The law establishes retirement formulas for various classifications of members of the system, based on age, years of service, and compensation in effect on the date of a member's retirement. Certain retirement formulas become applicable to contracting agencies and their employees only upon election by the agency, as specified.

This bill would provide that any amendment to specified existing retirement formulas, and new retirement formulas affecting certain members of the system, shall only apply to service performed by the member on and after the operative date of the amendment. The bill would also provide that for contracts or amendments of contracts entered into on and after January 1, 2006, specified retirement formulas would apply only to service rendered on and after the effective date of the contract or the contract amendment.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 21352.3 is added to the Government
2 Code, to read:
3 21352.3. (a) Any amendment of Section 21354.1 that
4 modifies the formula of that section, or any amendment of this
5 part that enacts a new formula for members subject to Section
6 21354.1, for the calculation of the pension for a member, and that
7 becomes operative on or after January 1, 2006, shall apply only
8 with respect to service performed on and after that operative date.
9 (b) For contracts or amendments to contracts entered into on
10 and after January 1, 2006, the formulas provided in Sections
11 21354, 21354.3, 21354.4, and 21354.5, or any amendments to
12 those formulas, or any amendment of this part that enacts a new
13 formula for local miscellaneous members, shall apply only to
14 service rendered on or after the effective date of the contract or
15 the contract amendment making those sections operative with
16 respect to employees of the contracting agency.

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